

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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ARMY BUYING YEAR'S SUPPLY

Canned Foods Purchasing Program Modified and Recent Bid-forms Simplified

With the issuance of invitations for bids on canned peas and canned corn, the War Department has modified its canned food purchasing program so that it will acquire, so far as practicable, a year's supply of the various products for its field forces by the issuance of a single invitation covering both spots and futures for each product.

The invitation for bids on corn was noted in last week's INFORMATION LETTER. The second invitation on peas, which was necessary because of failure to get sufficient offerings on the first invitation, was issued on August 6. Other products on which invitations were to be issued during the week, or in the very near future, include sweet potatoes, pumpkin, sauerkraut, lima beans, green and wax beans, beets, spinach, tomatoes, tomato juice, and catsup. Only in the case of sweet potatoes will the invitations cover less than a year's requirements. Separate invitations will be issued for each of the products, except tomato juice and catsup, which will be combined in a single invitation. In discussing this program, J. Howard Hamilton, canned foods advisor for the Office of the Quartermaster General, said:

"It is realized that the time for issuing the invitations on some products may seem inopportune, but the Department has the problem of acquiring and distributing these food supplies to a large number of establishments throughout the country, and the change in buying plans is designed to ensure maintenance of adequate supplies throughout the year and to facilitate their transportation to points where needed. Some of these products are needed at the present time which is the principal reason for going out now with invitations to bid."

All the vegetable products mentioned will be bought through the central office at Chicago. A similar plan is being followed in the purchase of various fruits through the San Francisco office and the purchase of grapefruit through the New York office.

The bid-form for the second invitation on canned peas takes a more simplified form than previous Army invitations. The new invitation calls for bids on 351,300 dozen No. 10 cans with 1,844,300 dozen No. 2's as an alternative bid. Bids will be opened August 19.

Spaces are provided in the bid-form for the canner to indicate:

- (1) The maximum quantity (dozen cans) of each item for which he will accept award.
- (2) The price per dozen cans F.O.B. cars bidder's rail shipping point.
- (3) The variety of each lot offered.
- (4) The lot description and the name and address of the point at which the supplies are or will be stored.

As was the case with the Army invitation for canned corn, reported in last week's INFORMATION LETTER, a special note is attached to the invitation stating that since contracts for futures are exempted from the overtime rate of pay provided by the Walsh-Healey Act but contracts for spots are not, the bidder should indicate whether he is offering futures or spots.

The special note on the pea invitation also asserts that the gravity separation method of determining maturity will not be employed and that Fancy (Grade A) peas will be accepted in place of Extra Standard (Grade B) if bidders choose to offer them. It was indicated in the INFORMATION LETTER of July 26 that these two special considerations would appear in the readvertisement for canned pea bids.

(Continued on page 6648)

CANNED SALMON PROGRAM DRAFTED

Twenty Per Cent of Current Pack Pledged to Army, Navy and Lend-Lease Needs

An agreement by which salmon canners will make available for the Lend-lease program, and for the Army and Navy, a total of 1,200,000 cases of salmon, or roughly 20 per cent of the current season's pack, without undue dislocation of the civilian market, was announced August 5 by the Office of Price Administration and Civilian Supply.

The program was developed at a meeting of a number of leading salmon canners with representatives of the Office of Production Management, Surplus Marketing Administration, the War Department, and O. P. A. C. S.

The press release covering the program states that:

Quantities to be reserved for the Lend-lease program and the Army and Navy and to be offered in bids submitted not later than September 5, 1941, are divided among the several types of canned salmon as follows:

- (a) 450,000 cases of Red Salmon in No. 1 tall cans, or No. 1 flat cans, or both;
- (b) All of the current pack of Cohoes (Medium Reds and Silvers), all in No. 1 tall cans;
- (c) 100,000 cases of Chums in No. 1 tall cans, or No. 1 flats, or both;
- (d) 450,000 cases of Pinks in No. 1 tall cans, or No. 1 flat cans, or both.

Individually, under the program, each canner, packer and sales agent is asked to agree with O. P. A. C. S. to set aside immediately and hold:

- (a) 45 per cent of his current Red Salmon pack.
- (b) His entire pack of Cohoes (Medium Reds and Silvers).
- (c) That proportion of his current Chum pack that 100,000 cases of Chums bear to the entire Chum pack.
- (d) That proportion of his Pink pack that 450,000 cases of Pinks bear to the entire Pink pack.

Preliminary estimates place the current salmon pack at roughly 6,000,000 cases. The program, then, will absorb

roughly 45 per cent of the expected pack of Reds, the premium grade; the entire pack of Cohoes, which may vary between 175,000 and 300,000 cases; and a small part of the pack of Chums and Pinks.

Pink salmon, the most widely consumed type, forms an important part of the protein diet of the lower-income groups of the civilian population, especially in areas in which fresh fish is not obtainable in sufficient quantities.

Were the entire amount required by the Lend-lease program, the Army and the Navy taken from the Pink salmon pack, that type would be subject to pressure for higher prices, with resulting hardship to the lower-income groups among domestic consumers. This factor prompted O. P. A. C. S. to seek the cooperation of the industry and the other government agencies involved to the end that a substantial part of the amount to be reserved be taken from the other types of canned salmon available.

Bids for the 1,200,000 cases reserved will be invited by the respective government procurement agencies. The representatives of industry present at the meeting assured the Government that asking prices would be fair and reasonable.

O. P. A. C. S. is inviting all canners, packers and sales agents to assent to the program as announced, and hopes that by this voluntary cooperation defense requirements can be met without the necessity of establishing price ceilings or of issuing civilian allocation programs.

ARMY BUYING YEAR'S SUPPLY

(Continued from preceding page)

The Chicago Quartermaster Depot has issued invitations for bids to be opened August 21 on 200,000 dozen No. 10 cans of snap beans with an alternate bid of 1,063,200 dozen No. 2's; 63,500 dozen No. 10 cans of lima beans with alternative bid of 333,300 dozen No. 2's; and 60,000 dozen No. 10 cans of beans, with 222,900 dozen No. 2½'s as alternate.

Bids also will be opened August 22 on 30,000 dozen No. 10 cans of catsup and on 240,500 dozen No. 10's of tomato juice with alternative bids acceptable of 548,900 dozen 404 x 700 cans or 1,052,000 dozen 307 x 512 cans.

Bids are to be opened by the Army at the San Francisco general depot August 16 on 254,704 dozen No. 10 and 86,885 dozen No. 2½ cans of peaches, with alternative bids of 916,934 dozen No. 2½'s and 246,200 dozen No. 2's and August 18 on 104,328 dozen No. 10 and 222,726 dozen No. 2½ cans of pears, with alternative bids of 374,638 dozen No. 2½'s and 334,098 dozen No. 2's, respectively.

Bids also were scheduled for opening at the San Francisco depot on August 12, 13, and 14, for quantities of apricots, sweet cherries, and pineapple, respectively. The apricot invitation called for 54,357 dozen No. 10 cans with 195,686 dozen No. 2½'s as alternate, and for 75,559 dozen No. 2½'s. Sweet cherry invitations specified 6,708 dozen No. 10's with first alternate bid of 24,148 dozen No. 2½'s and second alternate, 36,222 dozen No. 2's and asked for 32,046 No. 2½'s with 48,068 dozen No. 2's as alternate. Both sliced and crushed canned pineapple bids were invited, quantities specified for the former being 113,900 dozen cans No. 10's with alternate bids acceptable of 410,040 dozen No. 2½'s or 615,060 dozen No. 2's and 400,676 dozen No. 2½'s with 601,012 dozen No. 2's as an alternate. Crushed pineapple was sought in the following quantities: 20,485 dozen No. 10's with alternate

bids of 73,746 dozen No. 2½'s or 110,610 No. 2's, and 71,274 dozen No. 2½'s with 106,912 dozen No. 2's as an alternate.

Bids also are to be opened August 27 on 360,000 pounds of salt cured bacon in 12-pound rectangular cans, according to an invitation issued July 30 by the Chicago Quartermaster Depot. Delivery is to be made at Fort Mason, Calif., during the period October 21 to October 25.

Weekly Purchases by Department of Agriculture

During the past seven days the Department of Agriculture continued its peach purchase program and bought 191,110 bushels. The Department also added fresh peas to the list of surplus commodities by purchasing 46,464 bushels.

The total amount of pilchard futures that have been acquired by the Department rose to 889,700 cases through the acceptance of offers totaling 77,500 cases during the week.

The following table lists purchases of items in which canners are interested:

TOTAL PURCHASES—SELECTED COMMODITIES			
Commodities	Purchases		
	Aug. 1-Aug. 8	Mar. 15-Aug. 8	
Carrots (bushels).....	5,563	33,268	
Snap beans (bushels).....	282	433	
Beets (bushels).....	10,306	47,672	
Tomatoes (bushels).....	2,738	3,985	
Peas (bushels).....	46,464	46,464	
Corn (bushels).....	201	201	
Dry beans (bags).....	10,000	1,731,371	
Peaches (bushels).....	191,110	266,419	
Plums (lug boxes).....	8,002	44,146	
Oranges (boxes).....	3,234	503,580	
Orange juice concentrate (gallons).....	90,000	182,303	
Pilchards, futures (cases).....	77,500	889,700	
Evaporated milk (cases).....	80,000	3,607,150	
Pro vitamin A—Carotene in oil solution (pounds).....	2,205	2,205	
Pork, canned (pounds).....	3,566,252	73,754,256	

Veterans Want Lima Beans, Cherries, and Figs

The Veterans Administration, Arlington Building, Washington, D. C., has invited bids on 5,850 dozen No. 10 cans of lima beans, 3,000 dozen No. 10 cans of Royal Anne cherries, and 4,925 dozen No. 10 cans of figs. These bids will be opened on August 21, August 27, and August 28, respectively. Quantities are specified for deliveries at supply depots at Perryville, Md., San Francisco, and Chicago.

Additional Priority Control for Copper

Copper was placed under additional priority control August 2 in an allocation order signed by E. R. Stettinius, Jr., director of priorities, Office of Production Management.

Unlike the previous order, which provided that non-defense orders might be filled after a stipulated amount of copper had been set aside for a pool, and all defense deliveries had been met, the new order required that, after August 6, no deliveries of refined copper be made except upon specific directions of the priorities director. These will be given by means of allocation certificates issued to fabricators and dealers.

PRICE CONTROL MEASURE

House Banking Committee Holding Hearings on Administration's Regulatory Bill

The House Banking and Currency Committee is holding hearings this week on the Administration's bill for the control of prices and rents to meet "inflationary price rises and increases in the cost of living threatening to undermine our defense effort." The law would govern all business activity for the duration of the emergency, the bill expiring one year after the President or Congress declares the emergency to be over. As reported in last week's INFORMATION LETTER, the bill was introduced in House and Senate August 1.

The heart of its price-fixing powers is to be found in Section 2 (a), which states:

Whenever in the judgment of the President the price or prices of a commodity or commodities have risen or threaten to rise to an extent and in a manner inconsistent with the purposes of this Act, he shall by regulation or order establish such ceiling or ceilings as in his judgment will be generally fair and equitable to buyers and sellers of such commodity or commodities and will effectuate the purposes of this Act. So far as practicable, in establishing any ceiling for any specified commodity, the President shall ascertain and give due consideration to the prices prevailing on or about July 29, 1941, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of the commodity, including the following: speculative fluctuations, general increases or decreases in costs of production and transportation, and general increases or decreases in profits earned by sellers of the commodity, during and subsequent to the year ending July 29, 1941. Every regulation or order establishing any ceiling under this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order.

Wages and public utility rates are specifically excluded from the provisions of the bill, which specifies as to agricultural commodities, that no ceilings shall be fixed at less than 110 per cent of parity or at the market price prevailing for such commodity on July 29, 1941.

Administration of the bill would be in the hands of the President and any department, agency, officer, or employee he might designate for the execution of authority vested in the measure.

Some of the powers the bill would confer are the following:

Regulation of "speculative or manipulative practices, selling, marketing or inventory practices, hoarding, or other practice likely to cause price rises."

Right of the Government to buy, store, use, or sell at public or private sale any commodity to obtain maximum production or prevent price increases.

The Government, for the purpose of making and enforcing orders, can require information under oath, subpoena witnesses and documents, inspect or copy documents, and inspect inventories.

Orders can be established after whatever inquiry the Government deems proper, but written protests can be filed within 60 days.

Jurisdiction to handle appeals from price orders is vested in a three-man emergency court of appeals appointed by the Chief Justice of the Supreme Court, and ultimately by the Supreme Court.

Enforcement is provided for in the following manner:

By governmental injunction; suit by the buyer to rescind the sale, or suit for \$50, or for treble the amount by which the price exceeds the ceiling, plus costs; if the buyer does not sue within six months the Government may do so; buyers who do not intend to use the article personally may be subject to prosecution for conspiracy unless they sue in good faith; criminal penalties of \$5,000, or a year's imprisonment, or both, are provided.

An additional enforcement measure is a provision which would set up a licensing procedure, under which licenses would be granted as a condition of engaging in any transaction with respect to which a regulation or order might be issued under the bill. The President or the administrative body or agent he appoints would have the power to suspend or revoke such license for violation of its provisions, after due notice and hearing.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported to the Agricultural Marketing Service by Common Carriers

Supplies of snap and lima beans and tomatoes on the fresh market for the week ending August 2, 1941 were smaller than for the corresponding week in 1940, but supplies of green peas and spinach were larger, according to the Agricultural Marketing Service, as evidenced by carlot shipments.

Supplies of citrus fruits also were larger for the week ending August 2 this year than for the same period last year.

The following table, compiled from statistics of the A. M. S., gives detailed comparisons of carlot shipments on certain dates of selected vegetables and fruits:

VEGETABLES	Week ending—			Season total to—	
	Aug. 2, 1940	Aug. 2, 1941	July 26, 1941	Aug. 2, 1940	Aug. 2, 1941
Beans, snap and lima.....	19	2	4	4,077	3,750
Tomatoes.....	210	87	180	16,432	13,027
Green peas.....	239	303	310	4,333	3,849
Spinach.....	24	26	16	5,614	5,126
Others.....	301	304	529	30,034	29,881
FRUITS					
Citrus, domestic.....	2,589	2,830	1,800	136,514	150,323
Others, domestic.....	3,801	5,739	5,143	18,933	19,065

Alaska Salmon Pack Report

The following figures on the Alaska salmon pack, as reported by the U. S. Fish and Wildlife Service, show the pack by districts and species through August 2, 1941:

DISTRICT	Coho Cases	Chum Cases	Pink Cases	King Cases	Red Cases	Total Cases
Bristol Bay.....	1,827	49,332	.....	2,822	569,867	623,848
Alaska Peninsula:						
North side.....	.....	4,636	83	176	35,959	40,854
South side.....	13,732	115,414	140,768	2,982	88,017	360,933
Chignik.....	713	13,393	8,701	294	46,536	69,637
Kodiak.....	3,666	37,848	273,311	569	64,032	379,426
Cook Inlet.....	29,780	24,486	28,772	27,204	88,730	198,981
Prince Wm. Sound	3,358	64,300	164,815	94	4,154	236,721
Copper River.....	.....	.....	.....	4,282	34,368	38,650
Yakutat.....	8	67	2,891	763	16,575	20,304
Icy Strait.....	5,691	14,763	132,985	230	7,681	161,350
Western.....	13,190	42,622	221,066	306	12,285	290,069
Eastern.....	23,872	101,589	773,374	636	27,655	927,126
Wrangell.....	7,291	17,945	198,715	10	20,984	244,945
South Prince of Wales Island..	10,205	5,271	37,696	36	4,518	57,726
Southern.....	10,644	22,686	191,372	94	22,914	247,710
Total.....	123,997	514,332	2,175,149	40,498	1,044,284	3,898,280

* Final.

SWEET CORN CROP CONDITION

Information for Week Ending August 5 Compiled by Division of Statistics

The critical period for the sweet corn crop extends from about the middle of July to the middle of August for most of the corn-producing sections. Experience has shown that rainfall and temperature, particularly the former, are major factors determining corn yields. Best yields of corn have been obtained when rainfall was light during the planting season in May and early June and during the cultivating period of June and early July, and with ample rain, well-distributed during the critical period of July and August.

Last year the rainfall during the critical period in many of the corn States, particularly of the East, and in Ohio, Indiana and eastern Illinois, was well below normal and yields suffered correspondingly. In 1941, however, conditions have been much more favorable for the proper development of corn, except in a few States. In Maine, for example, rainfall has been below normal and below that of last year. In New York the drought of the early part of the season has been broken and corn conditions are much improved. A few reports have been received from the Mid-West indicating that yields of early plantings of Golden varieties are above average and the prospects are especially good for an excellent crop.

The following table gives the comparative rainfall and temperature figures of the weeks ending August 6, 1940 and August 5, 1941 for the weather stations located in the principal corn and tomato-producing sections:

Stations	Temperature departure from normal		Rainfall	
	1940 Degrees	1941 Degrees	1940 Inches	1941 Inches
Portland, Me.	+3	+1	T	0.21
Syracuse, N. Y.	+3	+3	0.11	0.80
Oswego, N. Y.	+3	+2	0.15	1.16
Buffalo, N. Y.	+3	+5	0.19	1.53
Erie, Pa.	+4	+6	0.34	0.26
Harrisburg, Pa.	+1	+4	T	0.30
Atlantic City, N. J.	+3	+2	0.11	0.26
Baltimore, Md.	+1	+5	0.54	0.65
Richmond, Va.	0	+5	0.03	0.00
Lynchburg, Va.	-1	+7	0.15	0.07
Columbus, Ohio	+3	+4	0.15	1.70
Toledo, Ohio	+3	+5	1.07	0.29
Ft. Wayne, Ind.	+5	+6	0.98	0.37
Indianapolis, Ind.	+7	+7	0.20	0.35
Peoria, Ill.	0	+9	1.09	0.00
Madison, Wis.	+3	+6	1.15	1.11
LaCrosse, Wis.	+4	+8	2.18	0.65
Minneapolis-St. Paul, Minn.	+3	+8	1.06	2.73
Dubuque, Iowa	+4	+9	0.97	0.02
Davenport, Iowa	+7	+9	0.53	0.14
Charles City, Iowa	+3	+7	2.13	0.48
Des Moines, Iowa	+5	+9	1.72	0.28
Omaha, Neb.	+3	+7	1.48	0.17
Springfield, Mo.	+5	+4	0.12	0.58
Bentonville, Ark.	+3	+4	T	2.50
Denver, Colo.	+3	+4	0.01	T
Salt Lake City, Utah	+5	+2	0.00	0.00
Sacramento, Calif.	+2	0	0.00	0.00
Fresno, Calif.	-1	-4	0.00	0.00

F.S.C.C. Revises Brix Requirements

The Federal Surplus Commodities Corporation has advised the Association that it has modified Brix requirements in its invitations for canned pears, peaches and apricots, the Brix for these being changed to 14 degrees for pears and peaches and 16 degrees for apricots.

Indiana Tomato Spraying and Dusting Experiments

Three tomato spraying and one tomato dusting experiment were undertaken and completed during 1940 under supervision of the Purdue University Agricultural Experiment Station to determine whether or not profitable, commercially feasible control of leaf-blighting and fruit rotting diseases of canning tomatoes in Indiana can be obtained by spraying or dusting with copper-containing fungicides.

A mimeographed report containing full details regarding treatments, plot arrangement, equipment used, yields, costs for labor and materials, and other relevant information has been issued and may be obtained from the Purdue University Agricultural Experiment Station, La Fayette, Indiana.

The spraying experiments were located at West Liberty, New Palestine, and Trafalgar; the dusting experiment near Kokomo.

Three treatments were tested in each spraying experiment, in comparison with no spray. These were as follows:

- (1) An insoluble copper spray, containing two pounds of copper per 100 gallons, applied five times during the season.
- (2) The insoluble copper spray applied only two or three times during the season, the first being applied at the time the second or fourth application of treatment (1) was made.
- (3) Bordeaux mixture, 8-4-100, applied whenever treatment (2) was applied.

Likewise, three treatments were tested in the dusting experiment, in comparison with no dust. These were as follows:

- (1) An insoluble copper dust mixture, containing six per cent of copper, applied four times during the season.
- (2) The insoluble copper dust applied only twice, the first application being made when the third application of treatment (1) was made.
- (3) Copper-lime dust, containing six per cent copper, applied whenever treatment (2) was applied.

With one possible exception, none of the spray or dust treatments resulted in a significant increase or decrease in yield or quality of tomatoes. The exception was in the Kokomo experiment where the plots dusted four times with insoluble copper significantly outyielded both the undusted plots and those dusted twice with the insoluble copper.

Rainfall during the months of June, July, August, and September in central Indiana in 1940 was lower than in any similar period in the ten years preceding and was not sufficient to permit extensive development of tomato leaf blight and fruit-rot diseases.

It would appear that the sprays and dusts increased the yields enough to offset the injuries caused by the spraying and dusting operations.

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